

1 APPLICATION FOR UNITED STATES LETTERS PATENT

2 ON INVENTION FOR:

3 METHOD OF PROVIDING A CREDIT CARD DRIVEN TUITION
4 INCENTIVE AWARDS PROGRAM

5 BY INVENTOR: Shlomo Nahmias

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7 Agt. Doc. No.: NAHS10A .

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14 *****

15 TO ALL WHOM IT MAY CONCERN:

16 BE IT KNOWN that I, Shlomo Nahmias,

17 a citizen of THE UNITED STATES OF AMERICA and resident of:

18 Brooklyn, NY 11230

19 have invented certain new and useful improvements in a(n):

20 METHOD OF PROVIDING A CREDIT CARD DRIVEN TUITION INCENTIVE
21 AWARDS PROGRAM

22 of which the following is a full, clear, concise and exact
23 description:

1 Inventor: Shlomo Nahmias
2 Invention: METHOD OF PROVIDING A CREDIT CARD DRIVEN
3 TUITION INCENTIVE AWARDS PROGRAM
4 DOC. No.: NAHS10A
5 DISK NAME: SPEC002A,2B,C

6 BACKGROUND OF THE INVENTION

7 Field of the Invention:

8 The present invention relates to a method of providing a
9 tuition incentive awards program. More particularly, the present
10 invention relates to a method of providing a credit card driven
11 tuition incentive awards program.

12 Description of the Prior Art:

13 Numerous innovations for incentive award systems have been
14 provided in the prior art that will be described. Even though
15 these innovations may be suitable for the specific individual
16 purposes to which they address, however, they differ from the
17 present invention.

18 A FIRST EXAMPLE, U.S. Patent No. 5,025,372 to Burton et al.
19 teaches computer data processing, programming and printing for an
20 improved incentive award program which allocates monetary amounts
21 available for expenditure through credit instruments issued to
22 program participants when the participants perform to a designated

1 level of achievement. Participants identifying information and
2 credit instrument account numbers are stored in memory. The
3 incentive program can be divided into multiple time periods.
4 Levels of performance are calculated and assigned for each
5 participant in order for a monetary amount to be available for
6 expenditure through the participant's credit instrument. Monetary
7 amounts can be withheld from the amounts allocated to the
8 instrument accounts. Adjustments can be made in the withheld
9 amounts and in the achievement levels. Calculations, adjustment
10 and reporting concerning amounts allocated for instrument use,
11 withheld amounts, instrument transactions and account balances are
12 made. Calculations and printed invoices for payment by a financial
13 institution to an incentive company based on the credit instruments
14 issued under the incentive program are made and are dependent upon
15 the monetary volume of expenditures through the credit instruments,
16 the total interest income on the credit instruments, and the number
17 of instruments issued. The tradename or trademark of the company
18 sponsoring the program can appear on the physical credit
19 instruments and on statements provided to participants. Travel and
20 merchandise awards are integrated with the credit instrument
21 program.

22 A SECOND EXAMPLE, U.S. Patent No. 5,056,019 to Schultz et al.
23 teaches a marketing method for providing manufacturer purchase
24 reward offers by automatically tracking the purchases of member
25 consumers through the use of bar coded membership cards and using
26 the purchase records in a data processing system to determine if

1 the required purchases have been made to earn a reward. Each
2 member consumer receives a reward booklet disclosing the available
3 reward offers, a periodic status report indicating the member
4 consumer's progress toward earning rewards, and a reward
5 certificate for those rewards earned.

6 A THIRD EXAMPLE, U.S. Patent No. 5,297,026 to Hoffman teaches
7 a system and data processing arrangement for promoting purchases
8 and account activity in a credit card account or other consumer
9 transaction involving sales of goods or services rewards a customer
10 for purchases by providing a high rate of return for funds invested
11 by the customer. A financial institution, general purpose credit
12 card agency, department store, automobile manufacturer, or various
13 other marketers of goods or services agrees to grant the customer
14 a high rate of interest on funds invested with the firm by the
15 customer, provided the customer makes purchases. For purchases
16 made by the customer in a given period (such as one month or six
17 months), the firm gives the customer the right to invest a certain
18 percentage (such as 10%) of the amount of purchases made by the
19 customer in that period. Using automated data processing, the firm
20 calculates the sum of the total purchases made by the customer
21 during the preselected period. Then, funds are accepted from the
22 customer up to the pre-agreed percentage of purchases, and provides
23 a deposit account for the customer, crediting the investment funds
24 in the deposit account. The firm may limit the term during which
25 interest is paid on accepted funds invested for a particular such

1 period, such as a term of six months or one year, or it may simply
2 lower the interest rate at the end of that term.

3 A FOURTH EXAMPLE, U.S. Patent No. 5,983,196 to Wendkos teaches
4 a computer implemented system awards promotional incentives. A
5 participant in the awards system calls or connects to an
6 interactive platform for registering and/or redeeming credits
7 preferably described in uniquely identified certificates. In a
8 telephone environment, the interactive platform is connected to a
9 toll free telephone number where a participant's call is handled by
10 a computer controlled voice response unit. In a computer network
11 environment, a computer user connects to the interactive platform
12 over the network. The participant receives awards credits based on
13 the unique identification of certificates. Award credits for a
14 participant are accumulated in a stored record associated with the
15 participant until redeemed. Award credits can also be acquired as
16 an instant winner based on a random or algorithmic selection of
17 callers to receive such credits. Awards include electronic prizes
18 such as free long distance telephone time, electronic cash and/or
19 service credits. Connection to the interactive platform may occur
20 during execution of an application program such as an electronic
21 game or electronic shopping.

22 A FIFTH EXAMPLE, U.S. Patent No. 5,991,736 to Ferguson et al.
23 teaches a patronage incentive system in which a monetary award is
24 made to a customer's retirement account as incentive for the
25 customer to participate in a transaction with the sponsor for the
sponsor's goods or services. The system includes a means for

1 identifying the customer, a means for inputting the identification
2 information and other information about the transaction into a
3 computer data storage, a computer data processing device which uses
4 a software program along with the transactional information to
5 calculate an incentive award amount a means for transferring the
6 monetary funds equal to the incentive award amount from an
7 incentive award pool to the customer's retirement account, and a
8 means of reporting the incentive award amount to the customer and
9 to the sponsor. Embodiments of a method of conducting a patronage
10 incentive system of the present invention are also disclosed
11 comprising the steps of inputting transactional information into a
12 computer data storage device, calculating the incentive award
13 amount through the use of a computer data processing device,
14 transferring monetary funds equal to the incentive award amount
15 from an incentive award pool to the customer's retirement account,
16 and reporting the incentive award amount to the customer and to the
17 sponsor.

18 It is apparent that numerous innovations for incentive award
19 systems have been provided in the prior art that are adapted to be
20 used. Furthermore, even though these innovations may be suitable
21 for the specific individual purposes to which they address,
22 however, they would not be suitable for the purposes of the present
23 invention as heretofore described.

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SUMMARY OF THE INVENTION

2 ACCORDINGLY, AN OBJECT of the present invention is to provide
3 a method of providing a credit card driven tuition incentive awards
4 program that avoids the disadvantages of the prior art.

5 ANOTHER OBJECT of the present invention is to provide a method
6 of providing a credit card driven tuition incentive awards program
7 that is simple and inexpensive to manufacture.

8 STILL ANOTHER OBJECT of the present invention is to provide a
9 method of providing a credit card driven tuition incentive awards
10 program that is simple to use.

11 BRIEFLY STATED, YET ANOTHER OBJECT of the present invention is
12 to provide a method of providing a credit card driven tuition
13 incentive awards program wherein a program vendor teams up with a
14 credit card issuer who gives the program vendor a certain
15 percentage of the sales made by a member card holder. The program
16 vendor than appropriates a certain percentage of this amount and
17 forwards it to the card holder for participating in the tuition
18 incentive awards program.

19 The novel features which are considered characteristic of the
20 present invention are set forth in the appended claims. The
21 invention itself, however, both as to its construction and its
22 method of operation, together with additional objects and
23 advantages thereof, will be best understood from the following
24 description of the specific embodiments when read and understood in
25 connection with the accompanying drawing.

1 BRIEF DESCRIPTION OF THE DRAWING

- 2 The figures of the drawing are briefly described as follows:
- 3 FIGURES 1A-1UU are a flow chart of the present invention.

DOCUMENT FILED
APR 22 1980

1 LIST OF REFERENCE NUMERALS UTILIZED IN THE DRAWING

- 2 10 credit card driven tuition incentive awards program of
3 present invention
4 12 agreement between credit card issuer 14 and program vendor
5 16
6 14 credit card issuer
7 16 program vendor
8 18 percentage of credit card sales
9 20 predetermined period
10 22 FDIC insured bank accounts
11 24 set interest collecting on FDIC insured bank accounts 22
12 26 cost of operations of program vendor 16
13 28 potential credit card holder
14 30 credit card
15 32 credit card holder
16 34 annual fee for credit card holder to participate in credit
17 card driven tuition incentive awards program 10
18 36 account of credit card holder 32
19 38 balance of account 36 of credit card holder 32
20 40 account balance of account 36 of credit card holder 32
21 42 amount
22 43 amount charged on credit card 30
23 44 certain percentage 44 of amount charged 42 on credit card 30
24 46 points
25 48 points accumulated

1 50 telephone
2 52 Internet
3 54 predetermined amount of points accumulated 48
4 56 dollars
5 58 dollar amount
6 60 check in dollar amount 58
7 62 student
8 64 name of student 62
9 66 school attended by student 62
10 68 tuition of school 66 attended by student 62
11 70 problem getting check 60 to school 66
12 72 distinct code number of each school 62
13 74 confirmation
14 76 mail confirmation
15 78 e-mail confirmation
16 80 call
17 82 automated telephone call
18 84 Internet call

1 DETAILED DESCRIPTION OF THE PREFERRED EMBODIMENT

2 Referring now to figures 1A-1UU, the method of providing a
3 credit card driven tuition incentive awards program of the present
4 invention is shown generally at 10 and comprises the following
5 steps.

6 STEP 1: Pay out, by a credit card issuer 14, as per an agreement
7 12 between the credit card issuer 14 and a program vendor
8 16, a percentage of credit card sales 18 at a
9 predetermined period 20, to the program vendor 16,
10 wherein the predetermined period 20 is one of monthly and
11 quarterly.

12 STEP 2: Place, by at least one of the credit card issuer 14 and
13 the program vendor 16, the percentage of credit card
14 sales 18 in insured bank accounts 22 collecting set
15 interest 24.

16 STEP 3: Keep optionally, by the at least one of the program
17 vendor 16 and the credit card issuer 14, the set interest
18 24 for cost of operations 26.

19 STEP 4: Apply, by a potential credit card holder 28, for a credit
20 card 30, to the credit card issuer 14.

- 1 STEP 5: Determine, by the credit card issuer 14, if the potential
2 credit card holder 28 qualifies for the credit card 30.
- 3 STEP 6: Abort, if answer to STEP 5 is no.
- 4 STEP 7: Issue, by the credit card issuer 14, the credit card 30,
5 to the potential credit card holder 28 so as to form a
6 credit card holder 32, if answer to STEP 5 is yes, and as
7 a result thereof, the credit card holder 32 automatically
8 is approved for the credit card driven tuition incentive
9 award program 10, by virtue of affiliation of the credit
10 card driven tuition incentive award program 10 and the
11 credit card issuer 14 with each other.
- 12 STEP 8: Pay, by the credit card holder 32, an annual fee 34, to
13 at least one of the credit card issuer 14 and the program
14 vendor 16 so as to form an account 36 with a balance 38
15 so as to form an account balance 40, if STEP 7 is carried
16 out, wherein the annual fee 34 is predetermined.
- 17 STEP 9: Charge, by the credit card holder 32, an amount 42 on the
18 credit card 30 so as to form an amount charged 43, if
19 STEP 8 is carried out.
- 20 STEP 10: Accumulate, by the at least one of the program vendor 16
21 and the credit card issuer 14, a certain percentage 44 of

the amount charged 42 on the credit card 30, by the credit card holder 32, if STEP 9 is carried out.

STEP 11: Convert, by the at least one of the program vendor 16 and the credit card issuer 14, the certain percentage 44 to points 46 so as to form points accumulated 48, if STEP 10 is carried out.

STEP 12: Check, by the credit card holder 32, the account balance 40, by one of telephone 50 and Internet 52, if STEP 11 is carried out.

STEP 13: Determine, by the credit card holder 32, if the points accumulated 48 are to be redeemed when the points accumulated 48 reach a predetermined amount 54.

STEP 14: Determine if the points accumulated 48 has reached the predetermined amount 54, if answer to STEP 13 is yes.

STEP 15: Return to STEP 9, if answer to STEP 14 is no.

STEP 16: Convert, by the at least one of the program vendor 16 and the credit card issuer 14, the points accumulated 48 to dollars 56 so as to form a dollar amount 58, if answer to STEP 14 is yes.

1 STEP 17: Issue, by the at least one of the program vendor 16 and
2 the credit card issuer 14, a check 60 in the dollar
3 amount 58, if STEP 16 is carried out.

4 STEP 18: Determine if the credit card holder 32 is not a student
5 62 who has a name 64 and who attends a school 66 with a
6 tuition 68, if STEP 17 is carried out.

7 STEP 19: Proceed to STEP 21, if answer to STEP 18 is no.

8 STEP 20: Put, by the at least one of the program vendor 16 and the
9 credit card issuer 14, the name 64 of the student 62 on
10 the check 60, if answer to STEP 18 is yes.

11 STEP 21: Determine if there is a problem 70 getting the check 60
12 to the school 66.

13 STEP 22: Send, by the at least one of the program vendor 16 and
14 the credit card issuer 14, the check 60 directly to the
15 credit card holder 32, if answer to STEP 21 is yes.

16 STEP 23: Forward, by the credit card holder 32, the check 60 to
17 the school 66, if STEP 22 is carried out.

18 STEP 24: Send, by the at least one of the program vendor 16 and
19 the credit card issuer 14, the check 60 directly to the

1 school 66, wherein each school 66 receives a distinct
2 code number 72, if the answer to STEP 21 is no.

3 STEP 25: Confirm, by the at least one of the program vendor 16 and
4 the credit card issuer 14, to the credit card holder 32,
5 that the check 60 has been sent out so as to form a
6 confirmation 74, wherein the confirmation 74 is by one of
7 mail 76, e-mail 78, and the telephone 50, if STEP 24 is
8 carried out.

9 STEP 26: Credit, by the school 66, the check 60 towards the
10 tuition 68 of the student 62.

11 STEP 27: Call, by the credit card holder 32, the at least one of
12 the program vendor 16 and the credit card issuer 14 so as
13 to form a call 80, wherein the call 80 is by one of
14 automated telephone 82 and the Internet 84, if answer to
15 STEP 13 is no.

16 STEP 28: Determine if the call 80 is made within a predetermined
17 time, if STEP 27 is carried out.

18 STEP 29: Request, by the credit card holder 32, redemption of the
19 points accumulated 48, from the at least one of the
20 program vendor 16 and the credit card issuer 14, if
21 answer to STEP 28 is yes.

1 STEP 30: Return to STEP 24, if STEP 29 is carried out.

2 STEP 31: Forfeit automatically, the points accumulated 48, to the
3 at least one of the program vendor 16 and the credit card
4 issuer 14, if answer to STEP 28 is no.

5 It will be understood that each of the elements described
6 above, or two or more together, may also find a useful application
7 in other types of constructions differing from the types described
8 above.

9 While the invention has been illustrated and described as
10 embodied in a method of providing a credit card driven tuition
11 incentive awards program, however, it is not limited to the details
12 shown, since it will be understood that various omissions,
13 modifications, substitutions and changes in the forms and details
14 of the device illustrated and its operation can be made by those
15 skilled in the art without departing in any way from the spirit of
16 the present invention.

17 Without further analysis, the foregoing will so fully reveal
18 the gist of the present invention that others can, by applying
19 current knowledge, readily adapt it for various applications
20 without omitting features that, from the standpoint of prior art,
21 fairly constitute characteristics of the generic or specific
22 aspects of this invention.